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St. Helena

Working paper prepared by the Secretariat

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I. General

1. St. Helena, which is a Non-Self-Governing Territory administered by the United Kingdom of Great Britain and Northern Ireland, consists of the island of St. Helena and two others: the island of Ascension and several small islands forming the Tristan da Cunha group.

2. Situated in the South Atlantic Ocean, approximately 1,900 kilometres from Angola and 2,900 kilometres from Brazil, St. Helena is a small island of volcanic origin. The island, where the Territory's capital, Jamestown, is located, is the largest of the islands of the Territory, with an area of 122 square kilometres. Ascension lies 1,200 kilometres to the north-west of St. Helena, and Tristan da Cunha and the other small islands lie approximately 2,400 kilometres to the south. The Territory comprises a total land area of 412 square kilometres. Climatically the islands are different; while Ascension enjoys a tropical climate, St. Helena's is subtropical tempered by trade winds that blow throughout the year. The climate of Tristan da Cunha, further south, is marine subtropical with small differences between summer and winter and between day and night. They have distinctive flora and fauna, with many rare or endangered species.

3. The uninhabited island of St. Helena was discovered in 1502 by the Portuguese navigator Juan da Nova. In 1633 the Netherlands claimed the island but did not occupy it. In the wake of a charter from the Lord Protector of Britain in 1657, later consolidated by a Royal Charter issued by King George II in 1661, the British East India Company proceeded in 1658 to colonize and fortify the island, which was subsequently settled by the English. Slaves were brought from Africa, Madagascar and the Far East. Chinese and some Indian indentured labourers were brought to work on the island. Napoleon Bonaparte was exiled to St. Helena from 1815 until his death in 1821. St. Helena became a British Crown Colony in 1834.

4. The inhabitants of St. Helena are known as "'Saints" or "'St. Helenians".[1] A population census conducted in February 2008 counted the provisional de facto population at 4,077, compared to 5,008 in 1998. Following the reintroduction of granting of British citizenship to Saints in 2002, the island experienced a wave of exodus which subsequently slowed down.[1] It remains to be seen how emigration patterns might be affected by the outcome of ongoing deliberations on a possible airport.

5. Another problem facing St. Helena is that the majority of Saints returning to settle on the islands are of retirement age, thus exacerbating the already heavily skewed age profile of the population. Approximately 17 per cent of the population resides in Jamestown. The official language of St. Helena is English.[1]

II. Constitutional, legal and political developments

6. The previous report (A/AC.109/2009/5, para. 13) recorded developments towards the replacement of the St. Helena Constitution Order, 1988. A new

Note: The information contained in the present paper has been derived from published sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations.

[1] Information provided by the administering Power, 29 December 2009.

Constitution was enacted in the St. Helena, Ascension and Tristan da Cunha Constitution Order 2009 and entered into force on 1 September 2009. The new Order changes the name of the territory from "St. Helena and its Dependencies" to "St. Helena, Ascension and Tristan da Cunha". As previously, executive Authority is vested in Her Majesty Queen Elizabeth II, but is exercised on her behalf by the Governor, who is appointed by the United Kingdom Government. However, the ability of the Governor to act inconsistently with the wishes of elected Councillors is curtailed in comparison with the previous constitution, entrusting more power to elected local Councillors. Symbolically, the Governor will no longer hold the title "Commander in Chief".[2] The Constitution also now provides protection for fundamental rights and freedoms of the individual. The current Governor is Andrew Gurr.

7. The Legislative Council comprises the Speaker, the Deputy Speaker, three ex officio members (the Chief Secretary, the Financial Secretary and the Attorney General) and 12 elected members. The Executive Council, which is presided over by the Governor, consists of the ex officio members and five of the elected members of the Legislative Council. The ex officio members have no vote in either body (whereas previously the Chief Secretary and Financial Secretary were voting members).

8. Elections are held by secret ballot, at intervals of not more than four years, by universal suffrage for those aged 18 years and over. The latest general elections were held on 4 November 2009, when a total of 25 candidates were nominated, divided between two constituencies; 12 (6 for each constituency) were duly elected; the new Legislative Council met formally on 13 November and elected the 5 elected members of the Executive Council and chairmen for each of eight Council Committees. The Council is due for dissolution on or before 13 November 2013, with the next general election taking place shortly thereafter.

9. The new Constitution contains enhanced provisions for ensuring the independence of the judiciary from the legislative and executive organs of government. The judicial system comprises a Court of Appeal, a Supreme Court and such subordinate Courts (currently a Magistrates' Court and provisions for Coroner's Enquiries into sudden deaths) as may be established by Ordinance. There remains a final appeal to the Privy Council of the United Kingdom in prescribed circumstances.

10. Before the current Constitution Order of 2009, St. Helenian Councillor Tony Green, in a speech delivered at the Caribbean Seminar on Decolonization in St. Kitts and Nevis on 14 May 2009, said that the Islanders saw themselves as part of the United Kingdom and that the Territory strongly believed that it should not be categorized as a British Overseas Territory. He added that St. Helena wished to have a new partnership with the administering Power that might be modelled on St. Pierre et Miquelon, the French Overseas Territory. The new partnership, in his view, would be through constitutional change. He pointed out the need to clarify the relationship between St. Helena and its, then, two dependencies, Ascension Island and Tristan da Cuhna, and to ensure greater accountability by St. Helena's elected representatives for local affairs.[3]

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[2] *St. Helena Government, News*, http://www.sainthelena.gov.sh/news.php/38/new-constitution.

[3] See the decolonization website, www.un.org/Depts/dpi/decolonization.

III. Budget

11. Recurrent, operating expenditure in 2009/10 is budgeted at £21,046,253, an increase of 12 per cent from that of 2008/09. Of this, £8.7 million will be generated locally, an increase of 13 per cent compared to 2008/09. About half of this amount comes from income taxes, and customs and excise duties. The remaining £12.4 million of next year's revenue funding is composed of a number of grants from the Department for International Development (DFID). In addition, the Department has provided new funding (over and above that included in the budget estimates for 2009/10), of £1.56 million for high-priority infrastructure projects. A further £2.25 million will be channelled through St. Helena for work in Tristan da Cunha and Ascension Island.

12. The 2009/10 budget for St. Helena will be break-even. The largest items of expenditure are employee costs, which account for 34 per cent of the total, and payments to other agencies, which account for 29 per cent of the total. Within this category, the three largest items are the provision of social welfare benefits for the elderly, disabled and unemployed, the shipping subsidy, and the cost of services acquired with funding for technical cooperation. Both this and the shipping subsidy are fully funded by DFID. Supplies and services comprise the third largest category of expenditure, and its largest components are fuel, medical supplies and overseas medical treatment.[4]

IV. Economic conditions

A. Development

13. DFID has funded a major infrastructure review that has enabled a comprehensive plan to be developed identifying St. Helena's infrastructure requirements over the next 10 to 20 years. DFID and the St. Helena Government have agreed a set of performance-related indicators that provided £1.56 million in 2008/09 and will provide up to £3 million, depending on performance, in 2009/10.

14. According to the administering Power, a revision of the current three-year sustainable development plan is to be published in early 2010, reflecting a new policy framework with a number of objectives. The first aims at achieving a sustainable and vibrant economy through balanced public and private sector development, effective use of natural resources and human capital, and investment in physical infrastructure, including improved access to the island. The second goal is to establish a healthy community in a safe environment, paying particular attention to vulnerable groups, and ensuring culturally balanced social development. The third goal entails strengthening the community's institutions of governance, including in the areas of democracy, human rights and self-determination, engaging with a vibrant civil society on development issues, and modernizing the public sector.

15. St. Helena is eligible to receive funds from the European Union. The Territory's allocation from the tenth European Development Fund (2008-2013) is €16.63 million. St. Helena submitted a detailed bid for funding in December 2008,

[4] *Saint Helena Herald*, 4 April 2009.

asking for the development of a safer landing facility (including breakwater, slipway and sheltered landing area) and improved sea defences at James Bay, but has been unable to obtain compliant bids for the work listed above. The allocated funds are to be applied towards road rehabilitation, harbour improvements, upgrading of water, waste management and other capacity-building projects. A further rock-fall protection project, costing £2.25 million and funded by DFID, is currently under way and will be completed by mid/late 2010. This project is aimed at mitigating rock-falls from the cliffs above Jamestown and protecting the lives and property of its inhabitants.

16. In February 2009, a European Union-funded disaster management consultant visited St. Helena to consolidate the work on the capability review. The main objectives of the visit were to reorganize and invigorate the island Disaster Management Committee, develop medium-term disaster risk reduction strategies and develop comprehensive disaster plans. The consultant's recommendations are now being carried forward.

B. Agriculture and fisheries

17. Fisheries are an important sector in St. Helena's economy. There are a total of 29 fishing boats with commercial licences, but only a few of them fish regularly and it is a declining occupation. The local fishermen sell their catch to the St. Helena Fisheries Corporation. Fish purchases for the first half of the financial year 2009/10 was 306.1 metric tons compared to 241 during the same period of the previous year. The volume of fish exported during the period April to October 2009 was 149.4 metric tons compared to 113.9 over the same period of the previous year.

18. St. Helena has developed a reputation for the high quality of its coffee and fish. St. Helena's product is considered one of the finest premium coffees in the world. Owing to problems in the coffee sector, however, very little coffee has been exported recently. Its wild fish were the first to receive organic certification from the Soil Association, the leading campaigning and certification organization of the United Kingdom for organic food and farming.

19. The agricultural improvement scheme continued in 2009 and provided grants for pasture improvement and subsidies for the purchase of herbicides. It is anticipated that it will extend to grants for livestock housing, pasture management and arable production in future years.[3]

C. Transport, communications and utilities

1. General

20. Access to St. Helena is provided by the RMS *St. Helena*, which serves St. Helena, Ascension, Walvis Bay, Namibia and Cape Town, South Africa. The nearest airstrip is located on Ascension. Plans to construct an international airport on St. Helena were put on hold in December 2008. Prior to that, the airport was expected to become operational by 2011-2012. At that point, the United Kingdom Government would have withdrawn its subsidy from the RMS *St. Helena*, leaving it to the St. Helena Government to decide whether to retain the vessel in service.

21. St. Helena's only port, Jamestown, provides good anchorage, although it lacks safe landing facilities that would allow passengers of large cruise vessels to come ashore in all types of weather.

22. A public transport system run by the St. Helena Government has been in operation since 2003. St. Helena has approximately 122 kilometres of surfaced roads and 20 kilometres of dirt roads.

2. Airport

23. As previously mentioned, following extended consultation between the Government of St. Helena and DFID, it was announced in March 2005 that DFID would provide funding for the construction of an international airport on St. Helena. On 8 December 2008, however, DFID announced that the British Treasury and the Department were in continuing discussions about issues of concern regarding access to St. Helena and, as a result, there would be a pause in negotiations over the airport contract (see A/AC.109/2009/5, paras. 28-30).

24. In response to the announcement of a pause in negotiations over the airport, the Governor expressed concern that the pause would set back the development of St. Helena and the hopes of reducing dependency on its administering Power. The construction of an airport has been judged by feasibility studies to be necessary to enable the island to expand the local tourism market and stimulate economic development, which could lead to a reversal in population decline (ibid., para. 31).

25. In April-July 2009, the United Kingdom Government held consultations in St. Helena on the question of the airport. Out of more than 3,500 people who responded to the consultation, a strong majority thought that going ahead with an airport was the best option. In December 2009, the United Kingdom Secretary of State for International Development announced that after consideration of the outcome of the public consultation on air access for St. Helena, the conclusion had been reached that, given the prevailing economic conditions and the urgent requirements to protect vulnerable countries around the world from the impact of the global downturn, proceeding with the project would not be appropriate at the time. Meanwhile, he stressed the commitment of DFID to supporting the people of St. Helena. Instead of making a final decision at this juncture, therefore, the Department would conduct further analysis of two particular issues: (a) potential cost savings that might be enabled by recent technological developments; and (b) options for funding the capital cost of the airport through public-private partnership. DFID would also analyse further the costs and options for a replacement ship. The review might be expected to take about six months. The Director responsible for the Overseas Territories was expected to visit St Helena in the first quarter of 2010 to discuss this announcement with the Government and the private sector.

26. On 14 May 2009, at the Caribbean Seminar on Decolonization in St. Kitts and Nevis, Councillor Tony Green from the Territory reaffirmed the urgent need for the construction of an airport. According to him, any delay in its construction would have a serious impact on the Territory's economy, including its development, eco-tourism and the private sector.[5]

[5] *St. Helena Herald*, 29 May 2009.

D. Communications and utilities

27. In January 2008, broadband Internet access was introduced on St. Helena, and a total of 402 connections had been made at the end of December 2008. Under the DFID-funded Electricity Distribution Project,[3] work is under way to upgrade and extend the island's electricity distribution system. St. Helena's wastewater systems are also being upgraded under another DFID-funded project.

E. Tourism

28. The St. Helena Tourism Office awaits the endorsement of the recent report of the DFID Tourism Advisor so that agreed recommendations can be programmed for implementation. The report encourages a heritage-led tourism development as the future for the island. St. Helena tourism will focus on improving product development, services and marketing the island as a heritage destination. However, limited access and low fragmented visitor numbers will restrict tourism growth and business development. The recent pause on the airport decision will have a significant impact on projections for tourism potential. The average number of tourists arriving in St. Helena is approximately 2,000.

29. In 2008, a total of 1,181 and in 2009, 1,357 passengers from cruise ships landed at St. Helena. If the airport becomes operational and the landing facilities are improved, St. Helena could establish itself as a fly/cruise destination, which will encourage more visits from cruise ships. There is also potential for developing walking tours and sport fishing tourism on the island.

30. There is potential for growth in yachting tourism. In 2008, 147 yachts visited St. Helena and in 2009, to November, 186 yachts (711 crew) have called. However, investment will be required to improve the facilities currently offered to yachting visitors.

V. Social conditions

A. General

31. Measured by international norms, St. Helena is a middle-income country with few signs of real material poverty. This is largely the result of the all-encompassing government safety net, which guarantees everyone a minimum standard of living, and of social networks which encourage the distribution of income among kin, most notably in the form of remittances. During his meetings in London with DFID in August 2009, the Governor, among other things, brought up the need to ensure full funding of the public sector pensions paid out of the existing income, an arrangement which comes under an ever-increasing strain owing to the rise of the median age in the Territory.[6]

32. The ageing population of the Territory, with 22 per cent of the island over 65 years of age, has created an increasing need for substantial investment in a new elderly care programme. A new community care complex, Her Royal Highness the

[6] *St. Helena Herald*, 7 August 2009.

Princess Royal Community Care Centre, funded by DFID, was opened on 27 September 2008. The aim of the new care centre is to bring full-time residential care services under one roof instead of at the three current locations on the island. The centre provides residential care for 44 people. It was hoped that four of those places would be reserved for respite purposes; however, due to the increase in the numbers of elderly people needing full-time residential care, it has been necessary to fill the places permanently. In the meantime, an Elderly Care Unit at the General Hospital provides full-time care for five residents and offers respite to others in the community as and when necessary. There are currently (at December 2009) 437 people aged 65 and over who receive income-related benefits.

33. New policies and procedures have been developed and used in principle for child protection and safeguarding the welfare of children.

34. In January 2009, the Executive Council approved a new health and social services strategy for St. Helena, entitled "Focusing on the future", to guide the development of the Public Health and Social Services Department until 2012. DFID has agreed to inject almost £2 million into the project over its duration, subject to the achievement of certain milestones throughout its implementation. The project will focus on the six key areas: helping the population to be and to stay healthy; delivering high quality primary and community care; striving for the best possible clinical services; supporting children, older people and others who are vulnerable; sustaining a strong and effective infrastructure; and developing and improving systems and services within the Public Health and Social Services Department.[3]

35. There is one general hospital in Jamestown and five health clinics serving people living in rural areas. In addition, two units cater to clients with challenging behaviour problems and learning disabilities. Statistics of chronic health conditions affecting the population are diabetes, 11 per cent; hypertension, 21 per cent; cancer, 3.5 per cent; and asthma, 3 per cent.[1]

B. Employment

36. The public sector remains the dominant employer in the Territory. According to the administering Power, legislation has been drafted for provisions relating to employment and the rights of employees and to create a framework for the enforcement of such rights. These rights relate to a written statement of particulars; provision for working time regulations; unfair dismissal; entitlement to unpaid parental leave and unpaid leave to care for dependants; and provisions for a minimum wage.[1] The bill will be presented to the Legislative Council in 2010.

37. Offshore employment has steadily increased and, with it, remittances to the Territory. Approximately a quarter of the island's workforce is employed on Ascension, in the Falkland Islands or in the United Kingdom. Remittances passing through the Government of St. Helena Finance Department during 2008/09 amounted to £845,280, but this does not necessarily represent the total for that year, since direct transfers can be made to the Bank of St. Helena.

38. Offshore employment has led to significant social pressure associated with the dislocation of families since the majority of such contracts are for unaccompanied workers, and has drained the Territory of its trained staff. According to the St. Helena strategic review (2000-2010), remittances from offshore workers were

not sustainable and spelled out serious consequences if people were not put at the centre of development.[5]

39. According to the administering Power, in October 2008 the St. Helena Government embarked on a public service modernization programme. The programme will bring many changes which will allow greater efficiency and effectiveness. One of the first activities to be undertaken is a review of the pay and grading system which is designed to address the problem of staff attrition. In September 2008, the Public Service Orders were replaced by a code of management, which is underpinned by a set of detailed policies and procedures governing all aspects of employment relationships between St. Helena and its employees, with improved terms and conditions of service. The newly introduced Code of Management is seen as a living document and is subject to review on a regular basis.

C. Education

40. Education is compulsory and free for children between 5 and 16 years of age. There are currently four schools in operation, comprising three all-through primary schools (for pupils aged 3 to 11 years) and one secondary school for students aged 11 to 18 years. Post-compulsory-aged students opt for either United Kingdom-accredited academic or vocational courses.[7]

41. The Education Department is continuously addressing staff attrition issues, falling pupil rolls and enabling the greater use of existing resources in order to continue to improve educational standards. Retaining qualified, experienced staff continues to be a challenge. Since 2007, overseas territories citizens have qualified for the home student fee rate at English universities.

42. The Education Ordinance 2008 came into force on 30 August 2008. The Ordinance improved the legal framework for providing suitable education to children and also raised the compulsory schooling age from 15 to 16 years.

D. Environment

43. St. Helena has an environmental conservation programme aimed at preserving endangered species and the diversity of habitats. In September 2001, the United Kingdom and its territories adopted a set of environment charters setting out for the first time their mutual responsibilities regarding the environment. According to the administering Power, the St. Helena Government actively pursues compliance with its commitments under the Environment Charter but resource constraints have impeded progress in some areas.

44. In 2008, the Government of the United Kingdom approved two projects for St. Helena, supporting critical species recovery and horticultural needs. It also supported a small project implemented by the St. Helena National Trust to enable the islanders to conserve the island's wirebird. On Ascension Island, it approved an endemic plant conservation plan. In Tristan da Cunha, efforts will focus on the control of alien mice and plants at Gough Island World Heritage Site.

[7] See www.princeandrew.edu.sh.

VI. Relations with international organizations and partners

45. As a Non-Self-Governing Territory of the United Kingdom, St. Helena, Ascension Island and Tristan da Cunha are associated with, but not part of, the European Union.

VII. Ascension

A. General

46. Ascension was discovered by the Portuguese in 1501 and "found" again on Ascension Day in 1503 by Alphonse d'Albuquerque, who named the uninhabited island. Ascension covers an area of 90 square kilometres and is of volcanic origin.

47. In 1815, when Napoleon was a prisoner on St. Helena, a small British naval garrison was stationed on Ascension. The island remained under Admiralty supervision until 1922, when it was made a dependency of St. Helena. From then until 1964, the island was managed by the Eastern Telegraph Company (renamed Cable and Wireless in 1934). In 1964, in view of the plans to establish British Broadcasting Corporation (BBC) and Composite Signal Organization stations, an Administrator was appointed. During the Second World War, the United States Government built the Wideawake airstrip on the island. In 1957, a United States Air Force presence was re-established and the airstrip and ancillary facilities enlarged. It is now the south-east tracking station for the United States Air Force Eastern Test Proving Ground. In 1982, it became the intermediate stop for Royal Air Force flights to and from the Falkland Islands. In 2003, British and United States officials signed the Wideawake Agreement, which opened up the airstrip to civilian charter traffic. The Agreement was extended for a five-year period in 2008.

B. Constitutional and political status

48. As mentioned before, the new Constitution for the territory removed the notion that Ascension is a "dependency" of St. Helena; but the islands remain part of a single territory — sharing a Governor, Attorney General, and superior courts. The new Constitution enshrines protection of fundamental rights and freedoms and contains enhanced provisions to guarantee the independence of the judiciary from the legislative and executive organs of government.

49. For the first time, the existence of an Island Council is recognized in the Constitution, with detailed provision to be made by local ordinance. A new Council was elected in October 2008 and met regularly during 2009; a General Election is to be held before the end of 2010.

50. In September 2008, the United Kingdom submitted a claim to the United Nations Commission on the Limits of the Continental Shelf, in respect of Ascension Island, for a continental shelf area beyond 200 nautical miles, in accordance with the provision set out in article 76 of the United Nations Convention on the Law of the Sea.[3]

C. Economic and social conditions

51. Following a joint meeting in 2005 between the Foreign and Commonwealth Office/Ministry of Defence team and the Ascension Island Council regarding the right of abode and property ownership on Ascension, in January 2006, the United Kingdom Government decided that permanent right of abode and property ownership would not be granted. One of the main concerns for the United Kingdom Government was the tax liabilities that could fall on British taxpayers.[3] Legislation underpinning a land and business policy was enacted in June 2008, aimed at providing a clear and transparent means of determining the allocation and use of land as well as a framework for the operation of businesses on the island.

VIII. Tristan da Cunha

A. General

52. Tristan da Cunha island group is composed of four islands: the main island, Tristan da Cunha; Gough; Inaccessible; and Nightingale. Tristan da Cunha, a round volcanic island with an area of 98 square kilometres, is the most remote inhabited island in the world. Its closest neighbours are St. Helena, 2,334 kilometres to the north, and Cape Town, South Africa, 2,778 kilometres to the east. The only settlement on the island is the capital, Edinburgh of the Seven Seas. A team of South African meteorologists is based on Gough. Inaccessible and Nightingale are uninhabited.

53. Tristan da Cunha's entire population was evacuated to the United Kingdom for a period of 18 months when the volcano last erupted in 1961, but returned in 1963. Following a series of earth tremors in the summer of 2004, the British Geological Survey was engaged to monitor seismic activity, and provide regular reports, with a view to evacuation preparedness. The DFID-administered contract with the Survey ended in 2006 and was not renewed.

54. As at December 2004, the population of Tristan da Cunha consisted of 275 people divided into approximately 100 households.

B. Constitutional and political status

55. Executive authority for Tristan da Cunha is exercised by the Governor of St. Helena, Ascension and Tristan da Cunha. A resident Administrator is appointed by and reports to the Governor. The Administrator is advised by an Island Council, led by the Chief Islander and comprising eight elected members (including at least one woman) and three appointed members. Elections are held every three years. All registered voters over 18 years of age are eligible to vote. Under the new Constitution (see section II above), the Governor continues to have legislative authority for Tristan da Cunha, but for the first time is constitutionally required to consult the Island Council before making any laws.

56. Tristan da Cunha has its own legislation, but St. Helena law applies to the extent that it is not inconsistent with local law. As a last resort, the laws of England

and Wales apply. There is one full-time police officer and two special constables. The Administrator also serves as the Magistrate.

C. Economic and social conditions

1. General

57. Tristan da Cunha's economy is based on traditional subsistence farming and fishing. Earnings from its lobster industry as well as sales of stamps, coins and souvenirs are used to fund health, education and other government services. Islanders also supplement their income by providing accommodation and guided tours to infrequent visitors and from retail and online sales of handicrafts and of souvenirs.[1]

58. According to information provided by the administering Power, over the last decade Tristan da Cunha has spent substantially more than it has earned because of inexperienced financial management, poor communication with London, and the proportionally high amount of capital expenditure needed to maintain such a remote and isolated community. There is continued pressure on the government budget relating to the cost of medical services, including offshore medical treatment for islanders. The Tristan economy also remains vulnerable to wider economic circumstances, including a recent fall in the price of lobster that Tristan da Cunha provides for the United States and Japanese markets, which led to a reduction of income from this sector in 2009.

59. A new Strategic Sustainable Development Plan drafted by the Island Council in early 2009 sets out broad strategies to secure the island's financial future, including plans to increase and broaden existing revenue sources, and to further reform the public service. The United Kingdom has funded two consultancies to support this work. Since 2008 the Tristan da Cunha Government has put a number of measures in place to raise government income and reform the public sector. Notable measures have included: enforced redundancy of all government staff of pensionable age; increased community charges for government service; introduction of medical charges and income tax; improved management of key contracts and department budgets; and increased retail margins.

60. Tristan da Cunha's primary source of income comes from fishing: rock lobster is sustainably fished and exported to the United States and Japanese markets. Tourism from occasional passing cruise ships, and the sale of commemorative coins and stamps, also brings the island significant income. Government income from these sectors is used to fund health, education and other government services. Islanders supplement their earnings by providing accommodation and guided tours to infrequent visitors and from the sale of handicrafts. Traditional small-scale farming is also an important part of life on the island.

2. Fisheries

61. Following the destruction by fire of the lobster processing plant on Tristan da Cunha in February 2008 and the collapse of the island's main cargo crane in April 2008, a new crane was sourced and installed in 2009 and a new plant was completed in July 2009.

3. Harbour rehabilitation, maritime service and tourism

62. Access to Tristan da Cunha is possible only by sea. The harbour can be used only when weather and sea conditions are suitable, with cruise ships often unable to land passengers. A DFID-funded contractor successfully completed some further rehabilitation work on Tristan's harbour in August 2009. This followed some emergency repairs performed by a Ministry of Defence joint task force in March 2008. It is anticipated that further European Development Fund money will become available in 2010 for more rehabilitation and maintenance work.

63. The harbour is not deep enough for visiting ships, so they must anchor offshore and offload passengers and cargo via small boats and rafts, weather permitting. That severely limits the potential for income from tourism. However, a handful of passing cruise ships do attempt to offload passengers each year. A tourism committee was formed in 2008 with a view to maximizing income in this area of tourism. Plans for online sales of souvenirs are also under way.[1] The United Kingdom is funding the construction of a new post office on the island. The building will host a number of tourism services which will generate additional income for the island.

64. Access is provided mainly by two vessels operated by the South African company Ovenstone, which holds the fishing concession for Tristan da Cunha lobster, and by the SS *Aghulas*, a South African research vessel which services their weather station on Gough Island. Between them they visit Tristan da Cunha 10 times a year, operating a passenger and freight service. The journey between Cape Town and Tristan da Cunha usually takes about seven days.

4. Communications

65. Following the installation of an improved telephone network early in 2007 Tristan da Cunha is now enjoying excellent inexpensive telecommunications with the outside world. The United Kingdom funds the line rental charge for this service. An Internet café offers islanders some limited access to the Internet. The Tristan da Cunha Government is planning to install a faster, more reliable Wi-Fi broadband system.

5. Health care and education

66. The DFID annual allocation (approximately £250,000) funds the health-care project on Tristan da Cunha (resident doctor plus annual dental and biennial optician visits), together with a modest training programme.

67. Since the United Kingdom Overseas Development Administration withdrew expatriate British teachers in the early 1990s, the education sector on Tristan da Cunha has been in decline, and the current standard is considered poor. Pupils leave school at age 16 and tend to work in government or the fishing sector. They have no opportunity to proceed to further education unless they go abroad. Teaching staff have very little training, and placement of trainee teachers is not foreseen. In September 2009, a DFID-sponsored education adviser began a two-year posting on the island. The Island Council judges that reform and improvement in this sector are key to a successful future.

6. Environment

68. Being isolated and devoid of all living organisms at its volcanic origin, the evolving flora and fauna of the island hold a special interest for scientists and

visitors. The Tristan Government is keenly aware of the need to live in balance with its environment because the economy of the community is dependent on sustainable harvests of lobster and fish. The Department of Natural Resources is responsible for administering the Island's strict environmental policies. More than 40 per cent of Tristan's territory is a declared nature reserve and Gough Island is a World Heritage Site. There are no indigenous terrestrial mammals, and much of Tristan Island's indigenous bird life was destroyed following the introduction of rats and mice in the 1880s. The islands of Nightingale and Inaccessible remain rodent-free and are home to several unique indigenous land birds. Continual education is required to safeguard this special environment.[8]

IX. Future status of the Territory

A. Position of the territorial Government

69. Information on political and constitutional developments regarding the status of St. Helena is reflected under section II.

B. Position of the administering Power

70. Information provided by the United Kingdom for inclusion in the Secretary-General's report of 23 April 2009 entitled "Implementation of decolonization resolutions adopted since the declaration of the First and Second International Decades for the Eradication of Colonialism" (A/64/70), inter alia, states that the United Kingdom policy towards the Overseas Territories "rests on the basis that it is the people of each Territory who determine whether they wish to stay linked to the United Kingdom or not. The United Kingdom has no intention of imposing independence against the will of the people concerned". Further, the statement referred to the suggestion by some commentators that the United Kingdom should agree to allow Territories the three status options set out in General Assembly resolution 1541 (XV), for removing Territories from the United Nations list, namely integration, independence, or free association. According to the United Kingdom, its policy was not to agree to integration, nor was there any indication that any of the Territories were seeking this. Its position on independence had already been set out. The concept of free association, as defined by the General Assembly, would mean that the Territory itself would draw up its Constitution free from the involvement of the United Kingdom, which would nonetheless retain all responsibility for the Territory, without the powers necessary to meet its responsibilities for the Territories. This was not a position the United Kingdom was willing to put itself in.

71. The United Kingdom further pointed out that General Assembly resolution 1541 (XV) was not legally binding and the United Kingdom had not voted in favour of the text. The United Kingdom Government indicated that it considered the existence of the Special Committee of 24 and the list of Non-Self-Governing Territories to be outdated, and remained of the view that none of its Overseas Territories should remain on the list.

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[8] United Kingdom Overseas Territories Conservation Forum, www.ukotcf.org/territories/tristan.htm.

72. In a statement made on 5 October 2009 at the 2nd meeting of the Special Political and Decolonization Committee (Fourth Committee) during the sixty-fourth session of the General Assembly (see A/C.4/64/SR.2, paras. 30-33), the representative of the United Kingdom said inter alia that where the people of any of its Overseas Territories clearly and constitutionally opted for independence, the United Kingdom would help them achieve it. Where, instead, a Territory wished to retain links, the United Kingdom would safeguard that Territory's future development and continued security, and would hold regular annual political consultations with it. Meanwhile, the respective territorial constitutions governed the relationship between the United Kingdom and its Overseas Territories and were regularly updated, carefully considering all proposals for constitutional change received from the Territories. A number of such new constitutions had come into force since 2006.

73. The United Kingdom stated that maintaining high standards of probity and governance was a cornerstone of British administration of the Territories. The United Kingdom Government was committed to allowing each Territory to run its own affairs responsibly as far as possible, but when developments in a Territory gave cause for concern or a Territory failed to fulfil international obligations, the United Kingdom would not hesitate to raise the matter with the territorial Government and intervene where necessary.

X. Action by the General Assembly

74. On 10 December 2009, the General Assembly adopted without a vote resolutions 64/104 A and B, based on the report of the Special Committee to the General Assembly[9] and its subsequent consideration by the Special Political and Decolonization Committee (Fourth Committee) (A/64/413). Section IX of resolution 64/104 B concerns St. Helena. Under the operative paragraphs of that section, the General Assembly:

> "1. *Welcomes* the entry into force of the Territory's new Constitution on 1 September 2009;
>
> "2. *Requests* the administering Power to assist the Territory by facilitating its work concerning public outreach efforts, consistent with Article 73 *b* of the Charter of the United Nations and, in that regard, calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;
>
> "3. *Requests* the administering Power and relevant international organizations to continue to support the efforts of the territorial Government to address the Territory's socio-economic development challenges, including unemployment, and limited transport and communications infrastructure;
>
> "4. *Notes* the decision by the administering Power to consult on whether an airport is the most appropriate option for access to Saint Helena in the current economic climate, and calls upon the administering Power to take into account the unique geographical character of Saint Helena in the process of consultation."

[9] *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 23* (A/64/23).

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Anguilla

Working paper prepared by the Secretariat

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I. General

1. Anguilla is a Non-Self-Governing Territory administered by the United Kingdom of Great Britain and Northern Ireland. The Territory lies 240 kilometres east of Puerto Rico, 113 kilometres north-west of Saint Kitts and Nevis and 8 kilometres north of St. Maarten/St. Martin. The Territory has a relatively flat topography, with a few rolling hills rising to the highest elevation of 213 feet, comprises a total area of 96 square kilometres and includes several offshore islets. The main island has a maximum length of 26 kilometres and a maximum width of 5 kilometres. The capital of Anguilla is The Valley, where 43 per cent of the population resides.

2. A midyear estimate for 2009 provided by the administering Power puts Anguilla's population at 15,156, with an estimated annual population growth rate of approximately 4 per cent.[1] There are several thousand Anguillians living abroad, in particular in the United Kingdom, the United States of America and the United States Virgin Islands. Of the total population, 99 per cent speaks English. Spanish or Chinese are the most common mother tongues among non-English speakers.

3. The currency of Anguilla is the Eastern Caribbean dollar (EC$), which is aligned with the United States dollar at approximately EC$ 2.70. Major trading partners are North America, mainly the United States, and the Caribbean region.

II. Constitutional, legal and political issues

4. The basis of the relationship between the United Kingdom Government and its Non-Self-Governing Territories is set out in a White Paper, entitled "Partnership for Progress and Prosperity: Britain and the Overseas Territories", published in March 1999.[2] The British Overseas Territories Act 2002 granted the right of British citizenship to "British Overseas Territory citizens".

5. Originally inhabited by the Arawaks, the Territory was colonized by British and Irish settlers in 1650. In terms of administrative and constitutional arrangements, Anguilla was periodically associated with Saint Kitts and Nevis over the years, as well as various regional structures. Following the dissolution of the Federation of the West Indies in 1962, in February 1967, Saint Kitts-Nevis-Anguilla became a State in association with the United Kingdom. Following demonstrations demanding secession from Saint Kitts and Nevis, in a referendum held in Anguilla in July the same year, the vote was 1,813 to 5 in favour of secession. Further demonstrations and protracted negotiations were followed by the intervention of British security forces in 1969 and the Anguilla Act of 1971, whereby the United Kingdom reassumed direct responsibility for the administration of the Territory, appointed a Commissioner and provided for the establishment of an Island Council.

Note: The information contained in the present working paper has been derived from published sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations.

[1] Information provided by the administering Power on 29 December 2009.

[2] "Partnership for Progress and Prosperity: Britain and the Overseas Territories", White Paper submitted to the House of Commons on 17 March 1999 by the United Kingdom Secretary of State for Foreign and Commonwealth Affairs; reproduced in A/AC.109/1999/1 and Corr.1, annex.

A separate Constitution came into effect in February 1976. In 1980, at Anguilla's request, arrangements were made by the Government of the United Kingdom for the Territory to be withdrawn formally from the Associated State of Saint Kitts-Nevis-Anguilla and become a separate dependency of the United Kingdom.

6. In 1981 further constitutional talks between the Governments of Anguilla and the United Kingdom were held. Under a new Constitution, while not providing for a full measure of internal self-government, a substantial degree of additional local responsibility would be granted to the Government of Anguilla. The Anguilla House of Assembly approved the new Constitution and the United Kingdom enabled the Anguilla (Constitution) Order to come into force on 1 April 1982.

7. According to the Anguilla Constitution Order, which was amended in 1990, the Government of Anguilla consists of a Governor, an Executive Council and a House of Assembly. The Governor, who is appointed by the United Kingdom, is responsible for defence, external affairs, internal security, including the police and prison services, international financial services and their regulation, public service appointments and the application to public servants of their terms and conditions of service. On all other matters, the Governor is required to consult with and act on the advice of the Executive Council. At the same time, the Order stipulates that the British Crown reserves power, with the advice of the Privy Council, to make laws for the peace, order and good government of Anguilla.

8. As previously reported, Alistair Harrison was appointed Governor to take office upon the retirement of Governor Andrew N. George. According to the administering Power, Governor Harrison took office in April 2009.

9. The Territory's Executive Council consists of the Chief Minister, not more than three other ministers and two ex officio members (the Attorney General and the Deputy Governor). The Governor acts as Chairman. The House of Assembly is elected for five-year terms. It comprises a Speaker, seven members elected from single-member constituencies, the same two ex officio members as in the Executive Council and two members nominated by the Governor, one of whom is appointed upon the advice of the Chief Minister and the other after consultation with the Chief Minister and the Leader of the Opposition, as appropriate.

10. According to reports in the media, general elections were held in Anguilla on 15 February 2010 and resulted in a change of government from the Anguilla United Front (AUF), an alliance of the Anguilla Democratic Party and the Anguilla National Alliance, to the Anguilla United Movement under Hubert B. Hughes, with four seats. AUF won two seats and the Anguilla Progressive Party one seat. Approximately 8,650 persons were eligible to vote. There was a high turnout of voters, with up to 80 per cent reported in some electoral districts. The next general elections are due in 2015.

11. The law of Anguilla is the common law of the United Kingdom, together with all legislation inherited from the former associated State of Saint Kitts-Nevis-Anguilla up to August 1971 and the local legislation enacted since. The law is administered by the Eastern Caribbean Supreme Court, an itinerant Court based in Saint Lucia, which comprises a Court of Appeal and a High Court of Justice, courts of summary jurisdiction and a magistrates court. A new Commercial Court was opened in October 2009 in the British Virgin Islands, which serves the Eastern Caribbean jurisdictions, including Anguilla.

12. In the context of efforts to modernize the Territory's Constitution, in early 2006 the territorial Government established a Constitutional and Electoral Reform Commission to reinvigorate the constitutional review process. In July 2006, the Commission presented to the territorial Government its report, in which it recommended changes to the current constitution, designed to provide the Territory with more internal self-governance. The Commission found that Anguillians were generally satisfied with the 1982 Constitution, which provided them with a large degree of autonomy, external (United Kingdom) forces for defence, and overseas representation by the Foreign and Commonwealth Office. At the same time, the Commission stated that there was one small group in the Territory that favoured independence. Over the years, as reflected in previous working papers, the territorial Government has considered the recommendations, consulted with members of the House of Assembly and the public, and engaged in constitutional talks with the United Kingdom.

13. As previously reported, in mid-2008, a team consisting of territorial Government officials, members of the House of Assembly and lawyers was set up to draft a new constitution using the concept of internal self-government as the basis for the exercise. According to the administering Power, in mid-2009, the new draft constitution was presented for public consultation, and discussion with the United Kingdom on it was expected to begin in 2010.

14. Meanwhile, speaking at the United Nations Caribbean regional seminar on decolonization, held in Saint Kitts and Nevis in May 2009, the representative of the Territory underlined Anguilla's desire to achieve the status of full internal self-government de facto as well as de jure, not to be overridden by the administering Power's orders-in-council or exercise of reserved powers. According to the speaker, the question of the political independence of Anguilla was only one of timing. Meanwhile, the right to opt for constitutional advancement in the form of full internal self-government as a State in association with another independent country was a right Anguillians had never relinquished. The full text of the statement can be found on the United Nations website on decolonization (www.un.org/Depts/dpi/decolonization/main.htm).

15. Further, according to reports in the media, in September 2009, the Social Development Minister joined the Chief Minister in suggesting that Anguilla should begin to look at the prospects for political independence in an effort to revisit the island's relationship with the United Kingdom, including with regard to fiscal guidelines such as the territorial Government's limits on public sector borrowing. The Minister shared with reporters his belief that the Territory's elected representatives should be taking the lead in preparing the people of Anguilla for political independence and should start educating the general public thereon.

16. On 9 December 2009, the eleventh meeting of the Overseas Territories Consultative Council was held in London. According to the administering Power, at the request of leaders of Overseas Territories, in 2009 a forum was held the day before the Consultative Council on 8 December to review the aforementioned 1999 White Paper on "Partnership for Progress and Prosperity", which established the principles that had guided the relationship between the United Kingdom and Territories since 1999. The Forum was the first stage of a consultation process on the future of that relationship. At the Consultative Council meeting, the United Kingdom and the Non-Self-Governing Territories represented, including Anguilla,

inter alia, agreed to continue their discussions on the relationship between the United Kingdom and the Overseas Territories.

III. Budget

17. In Anguilla, the fiscal year corresponds to the calendar year. According to reports in the media, in December 2009, the territorial Government did not present a budget for 2010/11 to the House of Assembly in view of the proximity of general elections to be held in February 2010.

18. Earlier in the year, as reflected in the media in October 2009, the United Kingdom agreed to permit the Government of Anguilla to borrow EC$ 20 million to cover its recurrent deficit over the next six months.

19. There is no income, corporation, value added or goods and services tax, a matter which the territorial Government began to study in 2009, in particular with regard to the impact of low taxation on the Territory's economy and public sector reserves. According to reports in the media, the territorial Government acceded to the Organization for Economic Cooperation and Development international standard in taxation, under which it had signed 11 agreements by the end of 2009.

IV. Economic conditions

A. General

20. Economic development slowed in 2009, with growth showing single digits as compared to the period from 2004 to 2007, when on average the economy grew in excess of 10 per cent annually, largely based on tourism and construction. According to further information provided by the administering Power for the present working paper, the revised gross domestic product (GDP) for 2006 was EC$ 294 million. The per capita GDP amounted to approximately EC$ 30,560.

B. Tourism

21. Luxury tourism continues to be central to Anguilla's economy, with visitor traffic via the Blowing Point seaport terminal representing about 75 per cent and via Wallblake Airport representing the remaining 25 per cent. As previously reported, the territorial Government pursues a "low volume, high value" luxury tourism strategy. The Anguilla Tourist Board and the Anguilla Hotel and Tourism Association market and promote the Territory's tourism product.

22. In 2009, Anguilla visitors' arrivals, including tourists and excursionists from visiting ships, continued to decline, according to information provided by the administering Power. At the same time, according to reports in the media, political observers said there was a growing debate over the value of "concessions", or incentives, given by the territorial Government to developers financing multi-million-dollar projects in Anguilla; the matter was coming under closer scrutiny and greater emphasis was being placed on the details of the memorandums of agreement between the Territory and developers.

C. Financial services

23. Anguilla entered the field of financial services relatively late and has a small international finance sector, specializing in insurance, mutual funds, trust and company registration, for whose regulation the administering Power is directly responsible. The industry includes four commercial banks, two of which are funded by indigenous capital, the National Bank of Anguilla and Caribbean Commercial Bank (Anguilla), and a few dozen trust companies, among others.

24. Anguilla's Financial Services Commission, established in 2004, is an independent regulatory body that focuses on licensing, supervision of licensees, monitoring of financial services in general, reviewing existing financial services legislation and making recommendations for new legislation, as well as maintaining contact with appropriate foreign and international regulatory authorities. As previously reported, the Territory has in place anti-money-laundering legislation, including the Proceeds of Criminal Conduct Act, 2000; the Money Laundering Reporting Authority Act, 2000; the Anti-Money Laundering Regulations; the Guidance Notes on the Prevention of Money Laundering; and the Criminal Justice Act. Moreover, according to the administering Power, a Proceeds of Crime Act came into force in 2009.

25. At the same time, according to an independent review of British offshore financial centres published in October 2009, commissioned by the United Kingdom Government, the territorial Government employs fewer than 10 staff to supervise licensed financial services providers and has signed 4 of a recommended 12 tax information exchange agreements with other countries that would allow the latter to obtain information about income earned by their taxpayers outside of their home jurisdiction. The report of the review contains the recommendation that responsibility for financial promotion should be removed from the Registrar of Companies, where it currently lies within the territorial Government. Moreover, the review concluded that the technical and human resources devoted to the fight against financial crime in Anguilla needed to be boosted to achieve compliance with recommendations made by the Financial Action Task Force, an intergovernmental body established to develop and promote policies to combat money-laundering and terrorist financing. Anguilla is a member of the Caribbean Financial Action Task Force and is also subject to its peer review process.

26. For his part, as reflected in media reports, the Governor has acknowledged that some of the report's recommendations are for his consideration, in the context of his constitutional responsibility for the regulation of international financial activity, while some are for the Government of Anguilla, and others for the United Kingdom Government. He expressed the hope that everyone connected with the financial sector in Anguilla would read the review carefully and reflect on it.

D. Agriculture and fisheries

27. Agricultural activity in Anguilla, traditionally involving the production of small quantities of tobacco and vegetables, as well as some cattle-raising, is limited owing to a combination of poor soil and irregular rainfall. Nevertheless, agriculture continued to play a part in the livelihood of the local population. According to media reports, in 2009 the territorial Government's Department of Agriculture

sought to chart the way forward for agriculture on the island with the help of an external expert consultant, as it was time to recognize the importance of the farmers and to assist them, especially in times of economic crisis. For his part, the Territory's Finance and Tourism Minister expressed the view that agriculture could be a major contributor to national development and urged more Anguillians to become involved in the agricultural sector.

28. The Department of Fisheries and Marine Resources, created in 1991, is mandated to manage Anguilla's fisheries resources and to safeguard the functional integrity of the critical marine habitats upon which the survival of fish species depends, including through the issuance of fishing and fish trapping licences. The Department operates within the legislative boundaries of the Fisheries Protection Act of 1986 and Regulations of 1988 (and subsequent amendments thereto) as well as the Marine Parks Act of 1982 and Regulations of 1993 (and subsequent amendments thereto). The Department's core functions include fisheries, coastal management and marine parks management. According to the administering Power, there are about 400 men directly employed in Anguilla's fishing industry. The Territory's resources include pelagic fish species such as dolphin, wahoo and tuna fish, as well as lobsters and crayfish.

E. Infrastructure

29. Anguilla continues to undertake projects throughout the island, including road works, port development, and other national infrastructure needs that fall under the responsibility of the territorial Government's Ministry of Infrastructure, Communications, Utilities, Housing, Agriculture and Fisheries.

30. The Territory has approximately 200 kilometres of road, half of which are paved. According to the administering Power, the Blowing Point Ferry Terminal and the Corito Cargo Port Facility projects continued to be at a planning stage in 2009 at the Ministry of Infrastructure, Communications, Utilities, Housing, Agriculture and Fisheries Department of Infrastructure. Master planning for the design and construction of Government office space commenced during 2008, and, according to the administering Power, construction is expected to begin in 2010.

31. According to reports in the media, the Air and Seaports Authority Act (2009), passed by the House of Assembly on 13 October 2009, enables the territorial Government to divest itself of the operation and management of commercial ports in Anguilla, and establish a semi-autonomous entity that would operate, maintain and develop ports in Anguilla. Officials of the territorial Government have indicated that the move would help to improve efficiency and accountability.

32. The Wallblake Airport situated on the outskirts of The Valley is the sole airport on the island and serves both commercial and private airplanes. According to the territorial Government, there are daily flights to and from the international airports of Antigua, St. Maarten, Puerto Rico and St. Thomas. As previously reported, in 2008, negotiations were conducted with a local company for the construction of a fixed base operator facility at Wallblake Airport designed to cater to private jets and other aircraft. According to the administering Power, the facility commenced operations in 2009. At the same time, Anguilla Air Express, an executive air service, provided operations between San Juan, Puerto Rico and Anguilla during 2009.

F. Communications and utilities

33. There is no public transport in Anguilla except taxis, and car rental is widely available. Anguilla has a modern internal telephone system with multiple external gateways, including several microwave relays to St. Maarten/St. Martin, and a fibre landing point on Tortola for international calls, with competition in mobile, landline and Internet services. According to the administering Power, plans were in place to upgrade the Territory's cable television system in 2009/10 to full digital programming, including the provision of high definition video. The territorial Government was actively pursuing the development of information and communications technology services as a public utility.

34. As previously reported, the Anguilla Electricity Company (AEC) purchased two new 3.9-megawatt generators to improve the power supply to its customers. According to the administering Power, in 2009, AEC purchased one additional 5.2-megawatt generator to keep up with energy demand. In addition, AEC was partnering with the territorial Government in a renewable energy initiative aimed at reducing the Territory's dependence on fossil fuels for power generation and transportation, and advancing local competencies in the energy sector.

V. Social conditions

A. General

35. Living standards and social indicators in Anguilla compare favourably with those of other countries in the region, with an estimated literacy rate of over 95 per cent. The life expectancy at birth for females is estimated to be approximately 83, and 78 for males for 2009. Anguilla has had a social security scheme since 1982, which is overseen by the Anguilla Social Security Board. Non-contributory Old Age Pension (Amendment) Regulations, 2010, and Benefits (Amendment) Regulations, 2010, became effective in January, increasing allowances to eligible persons in need.

36. According to the aforementioned 2009 independent review of British offshore financial centres, the Territory does not have up-to-date unemployment statistics. At the same time, according to reports in the media, the Government of Anguilla was taking steps to improve the unemployment situation on the island following a long period of inactivity in the labour market. For instance, in October 2009, the Chief Minister said in a radio broadcast that the territorial Government was aware that a number of projects had stalled, and that he anticipated a positive turnaround following news that one of Anguilla's major tourism hospitality projects was getting ready to open fully for business on the island's west coast.

37. In 2009, the Government of Anguilla negotiated the purchase of a major hotel complex to use as a hospitality institution for the development of the support of human resources for the island's tourism industry. According to reports in the media, the use of Social Security funds for that purpose had given rise to criticism among some Anguillians in the Territory.

B. Education and culture

38. The Education Department manages and oversees the education system in Anguilla. According to media reports, in 2009 education continued to be a major priority for the Government, with emphasis placed on the technical and vocational areas. For instance, the territorial Government had secured 12 acres of land in Long Path, along with the old Shell factory building, to house a technical and vocational centre, and had revitalized a Technical and Vocational Committee to move the process forward. The territorial Government called upon Anguillians to take advantage of scholarships currently available, and encouraged persons in the workplace to educate themselves and to take advantage of the courses offered by the University of the West Indies Open Campus in Anguilla.

39. Education in Anguilla is free and compulsory between the ages of 5 and 17 years. The education system ranges from the pre-primary to the tertiary level. There are 11 private preschools in Anguilla, of which 10 are subsidized by the territorial Government for children between the ages of 3 and 5 years. According to the administering Power, enrolment stands at 444. Children between the ages of 5 and 12 years attend primary school. There are eight primary schools in Anguilla: six public, one private and one private assisted. Special education services are provided at centres attached to two of the larger primary schools. Present enrolment in the primary sector is 1,613.

40. Secondary education in Anguilla is provided at two campuses of one secondary educational institution, the Albena Lake Hodge Comprehensive School. Alternative programmes are also offered at two separate locations through the Workshop Initiative for Support in Education and the Pupil Referral Unit. According to the administering Power, 961 students were enrolled at the school.

41. Furthermore, the Professional Development Unit of the Department of Education and the University of the West Indies (UWI) Distance Education Centre provide tertiary education in Anguilla, offering primary and secondary teacher training and basic skills training programmes. The UWI Centre's extension campus in Anguilla offers a range of distance education programmes to students in the Territory, based on the system used by the University of the West Indies. The Anguilla Community College was established in March 2009, through the passage of the relevant legislation in the House of Assembly in response to the Territory's increasing shortage of skilled personnel in the critically important sectors of hospitality and construction.

42. In 2009, according to reports in the media, the Ministry of Social Development began work in Anguilla towards the development of a culture policy. The initiative sought to articulate a culture-sensitive and culture-driven national development framework for the Territory. The Ministry, with approval of Executive Council, established a Culture Policy Development Committee comprising a core group of critical stakeholders and specialists to manage the process. In that connection, the Ministry urged the full participation of the general public to make the process meaningful and productive.

C. Public health

43. The Board of the Health Authority of Anguilla, installed in December 2003, has responsibility for all primary, secondary and personal health-care services. The Ministry of Social Development is charged with regulating and monitoring the public and private health sectors, including the Health Authority of Anguilla, performing policymaking, regulatory and purchasing functions in relation to health services. The territorial Government's health priorities, set out in the strategic plan for health for 2009, include the strengthening of primary and secondary health-care services, the strengthening of the Ministry of Health's regulatory function, the development of health information systems and a strong focus on chronic non-communicable diseases and mental health.[1]

44. There are three health centres in the island's three health districts, as well as one hospital, the Princess Alexandra Hospital, located in The Valley. According to information published by the administering Power, with just one small hospital and three private clinics on the island, medical facilities are relatively limited. Serious cases that require major surgery may on occasion need to be transferred to a neighbouring island.

45. As previously reported, in 2008, the territorial Government joined the Pan Caribbean Partnership against HIV and AIDS pilot programme testing HIV and AIDS in the Territory. The pilot programme is carried out by the Barbados Ministry of Health in collaboration with, among others, the Caribbean Broadcast Media Partnership on HIV/AIDS. According to the administering Power, in August 2009, Anguilla was able to draw on the funds made available through the European Union programme entitled "Strengthening the Integration of the British and Dutch Overseas Caribbean Territories in the Regional Response to HIV/AIDS through the Pan Caribbean Partnership against HIV/AIDS". In late 2009, Anguilla took steps to prepare a draft workplace policy on HIV/AIDS and other life-threatening diseases; validate rapid HIV-testing kits; train health providers in provider-initiated HIV testing and counselling; and mount a media campaign on HIV prevention.

D. Crime

46. The crime rate in Anguilla continues to be low when compared with regional and international standards, according to information provided by the administering Power. There was a significant reduction in violent crime on the island in 2009. Crimes against property continued to be a priority crime issue for the Royal Anguilla Police Force, with burglary and theft being the main offences against property encountered.

47. As of 2009, according to the administering Power, the Royal Anguilla Police Force has a fully functioning scene-of-crime unit. With the introduction of an evidence-collection vehicle and the employment of two civilian crime-scene forensic examiners, the Royal Anguilla Police Force crime-scene examination and evidence-gathering capability has been significantly enhanced.

48. During the same year, the Commissioner of Police entered into a memorandum of understanding with Anguilla's Money-Laundering Reporting Authority concerning his responsibilities in overseeing the management of the new Financial Intelligence Unit in all matters relating to the Proceeds of Crime Act legislation that

came into being in July 2009 in the Territory. Moreover, the Financial Investigation Unit joined with the Financial Intelligence Unit as a fully functional hybrid unit under the daily supervision of a fully qualified Police Inspector as head of a Financial Intelligence and Investigation Unit.

VI. Environment

49. The territorial Government's Department of Environment, Department of Fisheries and Marine Resources, and the Anguilla National Trust are principal entities dealing with environmental issues in Anguilla. During 2009, media reports indicated that the territorial Government was stepping up action to address the issue of climate change, which according to experts could impact significantly on low-lying small islands such as Anguilla. A Climate Change Coordinating Committee was formed through a collaboration of stakeholder agencies in response to the need for effective coordination of the multiagency process towards preparing Anguilla to adapt to and mitigate the potential impacts of climate change. In addition, the Department of Environment and the Tourist Board collaborated on a climate change project for Anguilla, funded by the Department for International Development of the United Kingdom Government as part of a wider Eastern Caribbean effort, to help in the elaboration of effective responses to the impact of climate change.

VII. Relations with international organizations and partners

50. Anguilla iş a member of the Eastern Caribbean Central Bank and an associate member of the Organization of Eastern Caribbean States (OECS), the Association of Caribbean States, the Economic Commission for Latin America and the Caribbean, and the Caribbean Community and the Common Market.

51. As a Non-Self-Governing Territory of the United Kingdom, Anguilla is associated with the European Union but is not a part of it.

52. As previously reported, at the Overseas Territories Consultative Council meeting held in London in 2008, the territorial Government agreed on the target date of October 2009 for the extension to the Territory of ILO Convention No. 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour and of the Convention on the Elimination of All Forms of Discrimination against Women, and to consider the options available to meet international obligations on sexual orientation. In 2009, according to the administering Power, the Executive Council approved the extension of the Convention on the Elimination of All Forms of Discrimination against Women in the Territory. Work on extending other conventions was ongoing.

53. As previously reported, the Government of Anguilla cooperates directly with other Caribbean Governments and participates in regional projects of various international organizations and agencies. In November 2009, Anguilla hosted the fiftieth Meeting of the OECS Authority, and joined consultations held by OECS member States on a proposed economic union, which was established on 29 December 2009 as the OECS Economic Union.

VIII. Future status of the Territory

A. Position of the territorial Government

54. Developments on constitutional reform efforts involving the future status of Anguilla are referred to in section II of the present paper.

B. Position of the administering Power

55. Information provided by the United Kingdom for inclusion in the report of the Secretary-General of 23 April 2009 entitled "Implementation of decolonization resolutions adopted since the declaration of the First and Second International Decades for the Eradication of Colonialism" (A/64/70), inter alia, states that the United Kingdom's policy towards the Overseas Territories rested on the basis that it is the people of each Territory who determine whether they wish to stay linked to the United Kingdom or not. The United Kingdom had no intention of imposing independence against the will of the people concerned. Further, the statement referred to the suggestion by some commentators that the United Kingdom should agree to allow Territories the three status options set out in United Nations General Assembly resolution 1541 (XV), for removing Territories from the United Nations list, namely integration, independence, or free association. According to the United Kingdom, its policy was not to agree to integration, and nor was there any indication that any of the Territories were seeking this. Its position on independence had already been set out. The concept of free association, as defined by the General Assembly, would mean that the Territory itself would draw up its Constitution free from the involvement of the United Kingdom, which would nonetheless retain all responsibility for the Territory, without the powers necessary to meet its responsibilities for the Territories. This was not a position the United Kingdom was willing to put itself in.

56. The United Kingdom further pointed out that General Assembly resolution 1541 (XV) was not legally binding and the United Kingdom had not voted in favour of the resolution. The United Kingdom Government indicated that it considered the existence of the Special Committee of 24 and the list of Non-Self-Governing Territories to be outdated, and remained of the view that none of its Overseas Territories should remain on the list.

57. As reflected in the record of the meeting (A/C.4/64/SR.2), in a statement made on 5 October 2009 before the Special Political and Decolonization Committee (Fourth Committee) during the sixty-fourth session of the General Assembly, the representative of the United Kingdom said, inter alia, that where the people of any of its Overseas Territories clearly and constitutionally opted for independence, the United Kingdom would help them to achieve it. Where instead a Territory wished to retain links, the United Kingdom would safeguard that Territory's future development and continued security, and would hold regular annual political consultations with it. Meanwhile, the respective territorial constitutions governed the relationship between the United Kingdom and its Overseas Territories and were regularly updated, carefully considering all proposals for constitutional change received from the Territories. A number of such new constitutions had come into force since 2006.

58. The representative of the United Kingdom stated that maintaining high standards of probity and governance was a cornerstone of British administration of the Territories. The United Kingdom Government was committed to allowing each Territory to run its own affairs responsibly as far as possible, but when developments in a Territory gave cause for concern or a Territory failed to fulfil international obligations, the United Kingdom would not hesitate to raise the matter with the territorial Government and intervene where necessary.

59. Further, the United Kingdom Government continued to encourage all its Overseas Territories to meet internationally recognized Group of Twenty standards to ensure sound financial regulation, resilient public finances, and responsible debt management.

C. Action taken by the General Assembly

60. On 10 December 2009, the General Assembly adopted, without a vote, resolutions 64/104 A and B, based on the report of the Special Committee transmitted to the General Assembly[3] and its subsequent consideration by the Special Political and Decolonization Committee (Fourth Committee) (A/64/413). Section II of resolution 64/104 B concerns Anguilla. Under that section's operative paragraphs, the General Assembly:

> "1. *Welcomes* the work of the Constitutional and Electoral Reform Commission and its report of 2006, the holding of a public forum in April 2008 to address constitutional reform issues and the subsequent agreement to seek full internal self-government, short of political independence, and the setting up of a drafting group, with the aim of making recommendations to the administering Power on proposed changes to the Constitution of the Territory, using the concept of internal self-government;
>
> 2. *Requests* the administering Power to assist the Territory in its current efforts with regard to advancing the internal constitutional review exercise, if requested;
>
> 3. *Stresses* the importance of the previously expressed desire of the territorial Government for a visiting mission by the Special Committee, calls upon the administering Power to facilitate such a mission, if the territorial Government so desires, and requests the Chairperson of the Special Committee to take all the necessary steps to that end;
>
> 4. *Requests* the administering Power to assist the Territory by facilitating its work concerning public consultative outreach efforts, consistent with Article 73 *b* of the Charter of the United Nations, and, in this regard, calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested."

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[3] *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 23* (A/64/23).

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Turks and Caicos Islands

Working paper prepared by the Secretariat

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I. General

1. The Turks and Caicos Islands is a Non-Self-Governing Territory administered by the United Kingdom of Great Britain and Northern Ireland. The Territory comprises 40 islands (with 6 of them permanently inhabited) and cays, which lie 145 kilometres north of Haiti and the Dominican Republic and 925 kilometres south-east of Miami, United States of America. The area of the Territory is 948.2 square kilometres.[1]

2. The Turks and Caicos Islands were discovered by Spain in 1512. From 1874 to 1959, the Islands were governed by the United Kingdom of Great Britain and Northern Ireland as a dependency of Jamaica. They became a separate colony of the United Kingdom in 1962, under the control of the Bahamas. When the Bahamas achieved independence in 1973, the Turks and Caicos Islands were placed under a British Governor stationed in Grand Turk.

3. Actuarial evidence gathered in September 2009 indicates a population of no more than 32,000, a reduction from earlier estimates. Of those, around 9,700[2] are citizens of the Turks and Caicos Islands, the so-called "belongers", who have the right to vote and to stand in general elections. Belonger status is granted by the territorial Government based on length of residence in the Territory, contribution to society and how well one has assimilated into the community. One may also become a belonger through marriage. The balance of the population, mostly from Haiti and the Dominican Republic, as well as the United States of America, Canada, the United Kingdom and other European countries, are considered "non-belongers".[1]

4. In a report issued on 6 July 2008, the United Kingdom Foreign Affairs Committee, while recognizing that extending voting rights to non-belongers would be politically difficult, encouraged territorial governments to review this issue with regard to non-belongers who have resided in an Overseas Territory for a reasonable period. The report also recommended that the rights of non-belongers should remain on the agenda of the Committee.[3]

5. Nearly two thirds of the belonger population and the great majority of the expatriate community reside on Providenciales. The second largest population centre is Grand Turk, followed by North, Middle and South Caicos and Salt Cay.[1] English is the main language, with French, Creole and Spanish becoming more common, particularly among the Haitian and Dominican Republic communities. The main religion in the Territory is Christianity.

II. Constitutional, legal and political issues

6. The basis of the relationship between the United Kingdom Government and its Non-Self-Governing Territories is set out in a 1999 white paper, entitled

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Note: The information contained in the present paper has been derived from published sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations.

[1] Turks and Caicos Islands, Department of Economic Planning and Statistics, accessed at www.depstc.org.

[2] Information provided by the administering Power, 29 December 2009.

[3] Seventh report of the Foreign Affairs Committee, session 2007/08, Overseas Territories.

"Partnership for Progress and Prosperity: Britain and the Overseas Territories".[4] The British Overseas Territories Act 2002 granted the right of British citizenship to "British Overseas Territory citizens". The Constitution that came into effect in the Turks and Caicos Islands on 9 August 2006 was negotiated between the Territory and the United Kingdom Government.

7. Under the 2006 Constitution, the Turks and Caicos Islands operated until 14 August 2009[2] on the basis of a ministerial system of Government, with a Governor in the Territory appointed by the administering Power. Information on related developments was set out in the 2009 working paper (A/AC.109/2009/10), and is reflected and updated below.

8. Under the 2006 Constitution, the Governor is responsible for external affairs, defence, internal security, including the police force, and some public service matters, including the regulation of international financial services, and consults with a Cabinet as necessary. Other portfolios are administered by the various cabinet ministers. The Governor acts on the advice of the Cabinet on these matters unless otherwise instructed by the Secretary of State on behalf of the administering Power. An Advisory National Security Council, chaired by the Governor, makes recommendations to the Cabinet on national security issues. The 2006 Constitution created the position of Deputy Governor, who must be a belonger, and is appointed by the Governor. As previously reported, Governor Gordon Wetherell was sworn into office on 5 August 2008.

9. Further, under the 2006 Constitution, there shall be a Cabinet for the Territory, which shall consist of the Governor; a Premier appointed by the Governor; six other ministers appointed by the Governor from among the elected or appointed members of the House of Assembly, one of whom may be appointed by the Governor, on the advice of the Premier, as Deputy Premier; and the Attorney General, with the executive authority of the Turks and Caicos Islands is vested in the British Crown.

10. In addition, there shall be a legislature for the Turks and Caicos Islands, which shall consist of the British Crown and a House of Assembly, comprising a Speaker, 15 elected members, 4 appointed members and the Attorney General.

11. There are two main political parties in the Territory: the People's Democratic Movement and the Progressive National Party (PNP), formed in 1975 and 1980, respectively. The most recent general election was held on 9 February 2007 with a voter turnout of 85 per cent. The ruling Progressive National Party, under Premier Misick, won 13 seats, against 2 won by the People's Democratic Movement. The next general election is due by July 2011.

12. The legal system of the Territory is based on English common law. Under the provisions of the 2006 Constitution, it includes magistrates' courts, the Supreme Court and the Court of Appeal, with ultimate recourse to the Privy Council. On the advice of the Judicial Service Commission, the Governor appoints judges and magistrates.

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[4] "Partnership for Progress and Prosperity: Britain and the Overseas Territories", White Paper submitted to the House of Commons on 17 March 1999 by the United Kingdom Secretary of State for Foreign and Commonwealth Affairs; reproduced in A/AC.109/1999/1 and Corr.1, annex.

13. As previously reported, the Foreign Affairs Committee of the United Kingdom House of Commons began a comprehensive inquiry in July 2007 into the exercise by the Foreign and Commonwealth Office of its responsibilities in relation to the Overseas Territories. On a separate issue, the Foreign Affairs Committee also questioned then-Premier Misick about allegations of substantial financial impropriety taking place in the Turks and Caicos Islands, including at the Government level. A subgroup of the Committee visited the Territory in March 2008 and investigated the situation on the ground.[2] In its report published on 6 July 2008, the Foreign Affairs Committee expressed concern about serious allegations of corruption in the Territory.

14. In July 2008, the former Governor appointed a Commission of Inquiry, comprising a Commissioner and support staff, to examine whether there was information that corruption or other serious dishonesty in relation to past and present elected members of the House of Assembly might have taken place in recent years, and to report its preliminary findings and recommendations to the Governor. The Commissioner's interim report was published by the Governor on 16 March 2009. Inter alia, it expressed the view that "clear signs of political amorality and immaturity and of general administrative incompetence, have demonstrated a need for urgent suspension in whole or in part of the Constitution and for other legislative and administrative reforms".

15. The Commissioner delivered his final report to the Governor on 31 May 2009. According to information provided by the administering Power therein, the Commissioner confirmed the conclusion reached in his interim report that there was information in abundance pointing to a high probability of systemic corruption and/or serious dishonesty in the Territory. In his view this, together with clear signs of political amorality and immaturity as well as of general administrative incompetence, demonstrated a need for urgent suspension of the Constitution, in whole or in part, and for other legislative and administrative reforms. He also recommended the institution of criminal investigations in relation to former Premier Misick and four of his former Cabinet ministers.[2]

16. While the above-mentioned developments were ongoing, on 19 December 2008, the Governor had prorogued the House of Assembly *sine die*, at the request of the then-Premier, who subsequently, in February 2009, stepped down as leader of PNP and resigned as Premier the following month. Galmo Williams, the former Home Affairs Minister who had been elected as PNP leader, served as the next Premier of the Turks and Caicos Islands from 23 March to 14 August 2009.[2]

17. As previously reported, in the light of the accumulation of evidence in relation to the Turks and Caicos Islands, and fortified by the Commissioner's interim report, the United Kingdom formed the view that parts of the Territory's Constitution would need to be suspended and took steps to do so. A draft order was submitted to the British Crown in Council at a meeting on 18 March 2009 and was laid before Parliament on 25 March. According to the administering Power, on 14 August 2009, under instruction from the United Kingdom Government, the Governor suspended parts of the Constitution, removing the Cabinet, the House of Assembly and references to ministerial and related powers and suspending the right to trial by jury.

18. The order in Council leaves in place important elements of the Constitution, such as the chapter on fundamental rights and provisions relating to the Governor, the courts and the public service. Powers and functions formerly exercised by the

Premier and Ministers are now exercised by the Governor acting in his discretion, including in relation to public finances, legislation and necessary regulatory reform.

19. Earlier in the year, in his statement at the Caribbean regional seminar convened under the auspices of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples in Saint Kitts and Nevis from 12 to 14 May 2009, Premier Williams expressed the position that, by suspending the Constitution of the Territory, the United Kingdom Government had failed to meet its obligations to allow the people of the Turks and Caicos Islands to determine their own destiny.

III. Budget

20. The budget is usually projected on a triennial basis, with annual revisions. The fiscal year covers the period from April to March.

21. Until the recent global financial crisis hit, the overall economy of the Territory had grown rapidly. However, the economic crisis had a profound effect on the Turks and Caicos Islands. According to the administering Power, 2007/08 and 2008/09 revenue forecasts were too optimistic, while expenditure failed to fall accordingly. As a result of this and the uncertainty surrounding the Government in 2009, the Territory's budget for 2009-2010 was not completed until October 2009. That budget forecasts revenues of just $150 million, down from over $200 million the previous year. Meanwhile, the Turks and Caicos Islands Government had debts of some $130 million, including $56 million in unpaid liabilities accrued over the last two years.[2]

22. In his first quarterly report following the suspension of parts of the Constitution, the Governor listed his priorities to reduce expenditure, increase revenue, contain the debt and secure the best terms available for debt repayment.

23. The Territory's interim Chief Executive Officer, appointed following the suspension of parts of the Territory's Constitution, told the media[5] that his administration's first priority was to control expenditure before addressing the next challenge, the revenue shortfall. Given that the Islands' revenues are generated mainly by taxes related to tourism and land sales, both of which fluctuate unpredictably, a way had to be found to even out the revenue stream in order to create a stable economy. Among solutions to this problem, he identified a reformed tax system as having the primary potential for the necessary revenue growth. Meanwhile, efforts would intensify to collect outstanding fees and taxes. Currently, the territorial Government levies no taxes on corporate or personal income, capital gains or inheritance.

24. In early January 2010, according to local media reports, the Governor announced at a news conference that the United Kingdom Government had given the green light to secure an $85 million loan from an international lending agency, with a view to alleviating part of the Government debt. Once details of the loan had been worked out, it would be debated in the form of a supplementary appropriation bill.

[5] *fp Turks and Caicos*, http://diplomaticlogic.com.

25. In recent years, the Turks and Caicos Islands has received funding from the European Union and multilateral agencies, in addition to some funds from the United Kingdom. Under the European Development Fund's ninth allocation from 2000-2007, the Turks and Caicos Islands received $13 million in funding. Following a midterm review, the existing budget support programme was increased by an additional $6 million, focusing in general on transport and in particular on port and road infrastructure. However, the third tranche of that allocation was suspended after the Government of the Turks and Caicos Islands failed to meet agreed fiscal targets, and the European Union decided instead to consider technical assistance. The tenth European Development Fund allocation for the period 2008-2013 for the Turks and Caicos Islands amounts to $18.6 million. According to the administering Power, the Turks and Caicos Islands has just started to put together its bid.

IV. Economic conditions

A. General

26. Since the 1980s, the main sectors of the economy have been upmarket tourism, offshore financial and business services, fishing, property development and real estate. Foreign investors, mainly from Canada, the United Kingdom and the United States, have played a significant role in the economic life of the Islands. Economic activity is concentrated on the most populous islands of Providenciales and Grand Turk.[6]

27. Since most of the Islands' requirements for capital and consumer goods, including all fuels, are met through importation, there is a large structural trade deficit. The United States is the most important supplier of goods to the Islands. The value of total merchandise exports in 2008 was $24.8 million against an import bill of $591.2 million. The trade deficit is largely financed by earnings from tourism and offshore finance.

28. The United States dollar is the official currency of the Turks and Caicos Islands.

29. According to the Economist Intelligence Unit, real gross domestic product is estimated to have shrunk by 5.0 per cent in 2009, down from 2.2 per cent growth in 2008, following years of double-digit growth rates.

B. Tourism

30. After years of strong tourism growth between 1995 and 2007, 2008 saw a drop-off in tourism figures. The latest Government figures provided by the administering Power show land-based tourist arrivals in 2009 to September at 222,834 and cruise ship passenger arrivals in the period from January to July 2009 at 237,113. Land-based arrivals in 2008 were 256,086 and 243,435 in 2007. Cruise passenger arrivals in 2008 were 237,871. According to the Hotel and Tourism Association, hotel occupancies in 2008 averaged approximately 60 per cent; as at December, the 2009 figure stood at around 50 per cent.

[6] See www.eiu.com, Country profile, Turks and Caicos Islands 2008.

31. Some high-end resorts on the Islands have suffered from funding cuts, and others, still in the planning stage, appear unlikely at present to secure financing. The administering Power indicates that this has severely impacted economic growth (and Government revenues) in 2009, and will impact growth prospects for 2009-2010 and beyond.

32. According to the territorial Government's website, in October 2009 the Governor formed a Tourism Working Group to develop recommendations relating to the promotion of the Turks and Caicos Islands as a tourist destination. The Group was tasked to consider the respective roles of the private and public sectors; the most appropriate institutional arrangements for marketing tourism in the Islands; any related legislative measures that might be necessary, and the most appropriate source of funding for such institutions. The Working Group expected to submit its draft conclusions to the Governor by the end of November 2009.

C. Financial services

33. Financial services, including company registration, trust business and insurance, are the second largest source of external revenue after tourism and the third largest employer in the Turks and Caicos Islands, according to the Economist Intelligence Unit. The absence of direct taxation, fast and straightforward company registration procedures, financial infrastructure and extensive financial freedom and confidentiality continue to be among the attractions for offshore companies. There are three international commercial banks in the Territory, FirstCaribbean Bank, Scotiabank and Royal Bank (all Canadian).

34. In late 2008, the United Kingdom Treasury commissioned a review of its offshore financial centres, including long-term opportunities and challenges facing jurisdictions such as the Turks and Caicos Islands. A report published on 29 October 2009 set out a number of benchmarks that jurisdictions should expect to meet on tax information exchange, financial regulation, anti-money-laundering and countering the financing of terrorism. It also recommended that public finances be put on a firmer footing by diversifying their tax bases.[2]

35. In December 2009, the Turks and Caicos Islands joined the Organization for Economic Cooperation and Development list of jurisdictions that have substantially implemented the internationally agreed tax standards ("white list"), having signed 12 agreements on tax information exchange, thereby substantially implementing the internationally agreed standard on transparency and information exchange.

36. The general approach of the Government of the United Kingdom had been to work with regional technical assistance providers such as the International Monetary Fund and with Territory agencies to enhance their own systems to detect, investigate and prosecute money-laundering and other suspected abuses.

D. Agriculture, fisheries and construction

37. Agricultural production is limited by the lack of fresh water and consists mainly of the growing of vegetables and citrus fruits on the Caicos Islands. Around 20 per cent of the Territory's working population is involved in agriculture and fishing.

38. The main productive primary sector is fishing. Lobster, conch and other marine creatures make up the largest component of exports. The latest available data show that agriculture and fishing contributed only 0.9 per cent of the Territory's gross national product in 2007.

39. In recent years, the territorial Government has invested heavily in infrastructure projects, such as roads, ports and airports, including the construction of two new hospitals. However, according to the administering Power, there has been a significant decline in construction activity since 2007, when this sector was buoyed by work on tourism projects and commercial and residential property, with downside risks on the demand and supply sides being realized. In the context of the growing financial crisis, construction in general and that of hotels in particular has slowed down.

E. Transport and communications

40. Transport and communications facilities are of fairly good quality. The road network covers about 120 kilometres, with 24 kilometres of paved roads on Grand Turk, Providenciales and the Caicos Islands. As reported previously, financing from the European Development Fund was secured to build a new causeway to link the two largest Caicos Islands (North and Middle). The causeway was officially opened in October 2007. It was substantially damaged by Hurricane Ike in October 2008, but remains usable.[2]

41. The Turks and Caicos Islands has three international airports — the main one on Providenciales, and much smaller ones on Grand Turk and South Caicos. There are also landing strips on Salt Cay, Pine Cay, Parrot Cay, Middle Caicos and North Caicos. Non-stop flights are available from Atlanta, Boston, Charlotte, Miami, New York and Philadelphia in the United States, and from London and Toronto, Canada. Flights from Dallas-Fort Worth, Texas, and Washington, D.C., are planned to commence in early 2010.[2] Regional services operate to the Bahamas, the Dominican Republic, Haiti and Jamaica.

42. The expansion project at Providenciales Airport started in 2009 and will include a resurfaced and extended runway allowing for larger aircraft to land. The facility will have all the modern amenities meeting the international standards. In January 2010, it was announced that the Airports Authority, in conjunction with the Turks and Caicos Islands Government, had secured the loan needed to kick-start the project, which was expected to commence in a matter of months.

43. As reported previously, the main commercial port (South Dock) is situated in Providenciales. Grand Turk also has a commercial port, and a new deep water port in North Caicos was completed in 2007.

44. Originally there were 12 cable television channels on Grand Turk, but following the damage caused by Hurricane Ike in 2008, it has only been possible to reintroduce 4 channels, with large parts of the island yet to be connected, according to the administering Power. In addition, there are 32 channels[2] on Providenciales, and six radio stations. A new national television channel with the Turks and Caicos Islands New Media Network went on the air on 28 January 2008, but was closed

down in November 2009 for financial reasons.[7] There are no daily newspapers, but the first daily online news forum for the Turks and Caicos Islands, established by the Turks and Caicos television network WIV4, was launched in November 2007.[8] The *Turks and Caicos Weekly News* and *Turks and Caicos Sun* are published weekly. The *Turks and Caicos Islands Free Press* is published once every two weeks. The *TCI Journal* is a web-based political publication that started in December 2007 as a result of Government censorship of a television programme sponsored by the opposition party.[2]

V. Social conditions

45. The Government of the Turks and Caicos Islands has over the years acknowledged the need to address considerable imbalances among the various islands and social groups. One measure taken was the launch of a 10-year national development plan on 27 October 2005, reported in the 2007 working paper (A/AC.109/2007/5), with the aim of providing a long-term vision for the Territory's development and a strategic framework for Government and private sector activities. In a press interview, Chief Executive Stanley commented on the hard living conditions that he witnessed on his visit to various islands such as South Caicos or Salt Cay, where he found some people to be vulnerable and neglected, with limited resources and limited access to them. He indicated that the Government would move to relieve those problems as quickly as possible, and indicated the need to develop a social policy to address such situations.

A. Immigration and labour

46. The population is concentrated mainly on Providenciales. Grand Turk Island is the second-most populated. A marked increase in immigration and population growth since 2000 has raised the officially estimated population to 36,605 in 2008, an increase of around 83 per cent since the last national census in 2001. The main employer is the Government, which employs around one third of the working population.

47. Unemployment, which declined to 5.4 per cent in 2007 reflecting increased economic activity related to construction and tourism, has risen since, owing largely to the global economic crisis. An estimate for 2009 puts the figure at 10 per cent.[9] The Department of Economics, Planning and Statistics estimated that in 2007 the Turks and Caicos labour force stood at 20,711.[1]

48. Temporary migrant workers, mainly from Haiti and the Dominican Republic, form a major part of the labour force in tourism and construction. Haitians remain the second largest group of employees after Turks and Caicos islanders. Inter-island migration by people in search of work is common.

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[7] In *TCI Mall-Turks and Caicos Community*, www.tcimall.tc, 3 March 2008; see also www.tcinewmedianetwork.tc/index03.html.

[8] See wiv4.wordpress.com/about-2/.

[9] Central Intelligence Agency, *The World Factbook 2009*.

49. Certain social problems, such as overcrowding, housing shortages, the lack of running water and an increase in the number of female-headed households, continue to affect migrant workers known to be living in overcrowded makeshift camps.[10]

50. While former Premier Misick drew attention to the problem of illegal immigration in December 2007, estimating that on average 400 to 500 Haitians arrived by boat each week, according to the administering Power, accurate statistics for illegal immigration are not available and the numbers are thought to be less than those estimated by the territorial Government.

51. As previously reported, in the annual 2008 Foreign Affairs Committee report, it was recommended that the Foreign and Commonwealth Office should provide a regular Royal Navy presence in the coastal waters of the Turks and Caicos Islands to assist with patrols and that it should consider with the Government of Haiti further measures to prevent Haitians leaving Haiti by boat from entering the Territory illegally.[3]

B. Education, youth and sports

52. Education in the Territory is free and compulsory for children from 5 to 16 years of age. There are 39 schools on the Islands, with a total enrolment of 5,257, covering preschool through tertiary education. Of these, 14 are Government-run schools, 10 primary schools and 4 high schools. Although there are more private than public schools, more students are enrolled at public schools (3,291) than at private ones (1,966).[1] The adult literacy rate is estimated at 98 per cent. The rate among immigrants is much lower.

53. As to higher education, there is a community college with branches on Grand Turk and Providenciales that provides two-year courses, mostly in vocational subjects. The Territory opened its first hotel school on 6 January 2007. It offers specialized courses to help interested Turks and Caicos islanders enter the tourist industry. A new branch of Education for Advancement is now offering education at various levels in business and management, finance, information technology, criminology, education, human resources, emergency and risk management and media and communications.

54. In July 2008, the Government announced that students who had recently graduated from high school would have to wait for college scholarship approvals, as a result of financial shortfalls in the budget. Arrangements were put in place for 20 scholarships in the academic year 2009/10. Media reports in November 2009 indicated that financial difficulties continued to jeopardize the overall scholarships programme.[11]

55. Since January 2007, citizens from the Overseas Territories have benefited from the home student fee rate at English universities.[12]

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[10] See tcweeklynews.com, 8 October 2007, and www.suntci.com, 20 November 2007.

[11] *Turks and Caicos Sun*, 18 November 2009.

[12] http://www.fco.gov.uk, 23 November 2006, Lord Triesman, Overseas Territories Minister, eighth meeting of the Overseas Territories Consultative Council on 21 and 22 November 2006.

C. Health care

56. Information received from the administering Power indicates that two hospitals are currently being built, one on Grand Turk (10 beds) and the other on Providenciales (20 beds). The hospitals, which are to be completed in 2010, are a public-private partnership project, with both of them to be operated by Interhealth Canada (an international hospital management company, jointly owned by private- and public-sector organizations) for 25 years before being transferred to the Government.

57. The public hospital network is currently comprised of the main facility, the Grand Turk Hospital, and the Myrtle Rigby Health Clinic, located on Providenciales. There are nine community health clinics on six islands: a 30-bed health complex on Grand Turk, a Government clinic on Providenciales, two clinics on Middle Caicos and two on North Caicos, a clinic on South Caicos and one on Salt Cay.[13] The two new hospitals are expected to be in operation sometime in 2010.

D. Crime and justice

58. Releasing crime statistics for 2009, the Turks and Caicos Islands Police Commissioner indicated that crime figures between 2008 and 2009 showed a reported increase of 38 per cent, the increase being attributed mainly to robbery and robbery using firearms. He also said that a programme launched two years ago aimed at encouraging the public to turn in unregistered weapons had met with minimal success. Meanwhile, the Assistant Police Commissioner said that 93 per cent of burglaries went unsolved, as well as 84 per cent of all thefts. Burglaries and thefts together amounted to 52 per cent of all crime included in the annual statistics. Meanwhile, the Police Commissioner encouraged the public to engage with the police as community volunteers, and participants in the Community-Assisted Police Patrols Programme.[14] According to the media, the Governor has indicated that he expects help in these areas from the United Kingdom in the shape of experienced police officers.

E. Environment

59. The Turks and Caicos Islands has an important environmental legacy to protect. Its wetlands are renowned, and the Islands' coral reefs, tidal flats, mangroves and marshlands provide a home for many unique wildlife, plants, reptiles, invertebrates and birds.

60. According to the United Kingdom Overseas Territories Conservation Forum,[15] the East Caicos, Middle Caicos and North Caicos wetland complex forms probably the best example of its type in the Caribbean. It is also the most natural among the 125 wetlands of international importance listed by the United Kingdom Government under the Ramsar Convention on Wetlands, 1971. According to the Forum, on Providenciales, the wetlands have suffered severe environmental degradation as a result of rapid development for real estate and tourism, although areas of value

[13] Kairi Consultants Limited, Main Situational Analysis Report, October 2006, p. 81.

[14] *Turks and Caicos Sun*, 1 February 2010.

[15] www.ukotcf.org, accessed on 26 February 2010.

remain through the protected area and national parks system. The Forum considers that an even greater threat to the natural environment is posed by proposals for major developments on the uninhabited islands — prime habitats for unique species such as rock iguana and the remaining breeding sites for turtles. The adoption of an eco-tourism approach is cited as having the potential to help to prevent the destruction of the natural habitat and safeguard the biodiversity, cultural heritage and natural beauty of the Islands.

61. In the aftermath of a major oil slick caused when a cargo ship ran aground off Providenciales in February 2009, the Department of Environment and Coastal Resources decided to take the lead in preparing a draft oil spill contingency plan, since the Turks and Caicos Islands were not prepared for that type of disaster, which could potentially be devastating to the Territory's natural environment.[16]

62. The Environmental Enhancement Committee of the Turks and Caicos Islands is working on enhancing public awareness regarding environmental issues and promoting remedial activities regarding the proper storage and disposal of solid waste as direct and associated implications are adverse and far-reaching.[16]

VI. Relations with international organizations and partners

63. In March 2006, the Turks and Caicos Islands was granted associate membership in the Economic Commission for Latin America and the Caribbean. The Territory was admitted as an associate member of the Commission's Caribbean Development and Cooperation Committee in early 2008.

64. The Turks and Caicos Islands is an associate member of the Caribbean Community and of the Association of Caribbean States. The Territory is a member of the Caribbean Development Bank and the International Criminal Police Organization. According to the administering Power, closer links are being sought with the Organization of Eastern Caribbean States and with the neighbouring Bahamas.

65. Along with 17 Caribbean nations, the Turks and Caicos Islands forms part of a World Bank catastrophe insurance pool established to assist the Islands in the event of natural disasters.

66. In the context of the Overseas Territories Consultative Council meeting held in London on 28 and 29 October 2008, the territorial Government agreed upon the target date of October 2009 to achieve the extension of International Labour Organization (ILO) Convention No. 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour and of the Convention on the Elimination of All Forms of Discrimination against Women and to consider the options available to meet international obligations on sexual orientation.[17]

67. Information on United Nations system activities involving the Turks and Caicos Islands, including on consultations concerning the ILO international labour conventions and international labour recommendations, can be found in document E/2006/47.

[16] *Turks and Caicos Sun*, February 2010.

[17] See www.fco.gov.uk, 30 October 2008.

68. Upon the request of the Turks and Caicos Islands, the Territory is not subject to the overseas association decision implementing part IV of the European Union Treaty. The arrangements with the European Union for association are not applied to the Turks and Caicos Islands, in accordance with the wishes of the Government.[18]

69. In August 2008, stakeholders met in the Turks and Caicos Islands with the Caribbean human rights coordinator of a four-year project, carried out since 2007 by the Commonwealth Foundation, the Commonwealth Legal Education Association and the Commonwealth Human Rights Initiative. The project is funded by the administering Power with a view to helping the United Kingdom overseas territories to conform with international standards concerning human rights obligations and to develop action plans. At the meeting, human rights capacity-building in the British Overseas Territories of the Caribbean, Pacific and South Atlantic project was discussed.[19] In June 2008, the Human Rights Commission Ordinance was brought into force, which established the Human Rights Commission. The Advisory Council has submitted a request to the United Kingdom Government for the extension of ILO Convention No. 182 to the Turks and Caicos Islands, and has agreed that the right of individual petition to the European Court of Human Rights be extended to the Turks and Caicos Islands indefinitely.

VII. Future status of the Territory

A. Position of the territorial Government

70. Information on political and constitutional developments regarding the status of the Turks and Caicos Islands is reflected under section II.

B. Position of the administering Power

71. As reflected in the record of the meeting (A/C.4/64/SR.2), in a statement made on 5 October 2009 before the Special Political and Decolonization Committee (Fourth Committee) during the sixty-fourth session of the General Assembly, the representative of the United Kingdom said, inter alia, that where the people of any of its Overseas Territories clearly and constitutionally opted for independence, the United Kingdom would help them to achieve it. Where instead a Territory wished to retain links, the United Kingdom would safeguard that Territory's future development and continued security, and would hold regular annual political consultations with it. Meanwhile, the respective territorial constitutions governed the relationship between the United Kingdom and its Overseas Territories and were regularly updated, carefully considering all proposals for constitutional change received from the Territories. A number of such new constitutions had come into force since 2006.

72. The representative of the United Kingdom stated that maintaining high standards of probity and governance was a cornerstone of British administration of the Territories. The United Kingdom Government was committed to allowing each Territory to run its own affairs responsibly as far as possible, but when developments

[18] European Commission, 18 March 2008, accessed at http://ec.europa.eu/development/geographical/regionscountries/countries/country_profile.cfm?cid=tc&type=short&lng=en.

[19] See www.caribbeannetnews.com.

in a Territory gave cause for concern or a Territory failed to fulfil international obligations, the United Kingdom would not hesitate to raise the matter with the territorial Government and intervene where necessary.

73. In that connection, he referred to the case in the Turks and Caicos Islands, where in 2008 an independent commission of inquiry had reported dire financial mismanagement and made over 60 recommendations covering systemic weaknesses, criminal sanctions, public integrity and land allocation, sale and management. In August 2009, his Government had consequently instructed the Governor of the Turks and Caicos Islands to suspend the government and legislature and automatic right to trial by jury. The decision to do so had not been taken lightly. The suspension would last for a period of up to two years to allow the Governor to restore good governance, sustainable development and sound financial management to the Islands while he worked under an interim constitution with an advisory council to formulate policy and a consultative forum to allow the people's voice to be heard. It remained the United Kingdom's intention that elections should be held in July 2011, if not sooner.

C. Action by the General Assembly

74. On 10 December 2009, the General Assembly adopted without a vote resolutions 64/104 A and B, based on the report of the Special Committee transmitted to the General Assembly[20] and its subsequent consideration by the Special Political and Decolonization Committee (Fourth Committee) (A/64/413). Section X of resolution 64/104 B concerns the Turks and Caicos Islands. Under that section's operative paragraphs, the General Assembly:

> 1. *Recalls* the Constitution of the Territory, which took effect in 2006, and notes the view of the former territorial Government that there remains scope for a degree of delegation of the Governor's power to the Territory so as to secure greater autonomy;
>
> 2. *Requests* the administering Power to assist the Territory by facilitating its work concerning public outreach efforts, consistent with Article 73 *b* of the Charter of the United Nations and, in that regard, calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;
>
> 3. *Notes with concern* the ongoing situation in the Turks and Caicos Islands, and also notes the efforts of the administering Power to restore good governance and sound financial management in the Territory;
>
> 4. *Calls for* restoration of constitutional arrangements providing for representative democracy through elected territorial Government as soon as possible;
>
> 5. *Welcomes* the continuing efforts made by the Government addressing the need for attention to be paid to the enhancement of social cohesion across the Territory.

[20] *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 23* (A/64/23).